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Attorneys for Plaintiffs,
Jason Reed; and, Annita Reed

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

JASON REED; AND, ANNITA REED,

Plaintiffs,

v.

CREDIT BUREAU OF SANTA MARIA dba THE CREDIT BUREAU OF SAN LUIS OBISPO AND SANTA BARBARA COUNTIES,

Defendant.

Case No.:

COMPLAINT FOR DAMAGES FOR VIOLATIONS OF:

(1) THE FAIR DEBT COLLECTION PRACTICES ACT, 15 U.S.C. § 1692, ET SEQ.; AND,

(2) THE ROSENTHAL FAIR DEBT COLLECTION PRACTICES ACT, CAL. CIV. CODE § 1788, ET SEQ.

JURY TRIAL DEMANDED

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INTRODUCTION

1. The United States Congress has found abundant evidence of the use of abusive, deceptive, and unfair debt collection practices by many debt collectors, and has determined that abusive debt collection practices contribute to the number of personal bankruptcies, to marital instability, to the loss of jobs, and to invasions of individual privacy. Congress wrote the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 et seq, to eliminate abusive debt collection practices by debt collectors, to insure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged, and to promote consistent State action to protect consumers against debt collection abuses.

2. The California legislature has determined that the banking and credit system and grantors of credit to consumers are dependent upon the collection of just and owing debts and that unfair or deceptive collection practices undermine the public confidence that is essential to the continued functioning of the banking and credit system and sound extensions of credit to consumers. The Legislature has further determined that there is a need to ensure that debt collectors exercise this responsibility with fairness, honesty, and due regard for the debtor's rights and that debt collectors must be prohibited from engaging in unfair or deceptive acts or practices.[1]

3. JASON REED ("Mr. Reed" or "Plaintiffs"); and, ANNITA REED ("Mrs. Reed" or "Plaintiffs"), by Plaintiffs' attorneys, bring this Complaint for damages, injunctive relief, and any other available legal or equitable remedies, to challenge the illegal actions of CREDIT BUREAU OF SANTA MARIA dba THE CREDIT BUREAU OF SAN LUIS OBISPO AND SANTA BARBARA COUNTIES ("Defendant") with regard to attempts by Defendant, a debt collector, to unlawfully and abusively collect a debt allegedly owed by

[1] Cal. Civ. Code §§ 1788.1 (a)-(b)

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Plaintiffs, and this conduct caused Plaintiffs' damages.

4. Plaintiffs make these allegations on information and belief, with the exception of those allegations that pertain to a Plaintiff, or to a Plaintiffs' counsel, which Plaintiffs allege on personal knowledge.

5. While many violations are described below with specificity, this Complaint alleges violations of the statutes cited in their entirety.

6. Unless otherwise stated, Plaintiffs allege that any violations by Defendant were knowing and intentional, and that Defendant did not maintain procedures reasonably adapted to avoid any such violation.

7. Unless otherwise indicated, the use of any Defendant's name in this Complaint includes all agents, employees, officers, members, directors, heirs, successors, assigns, principals, trustees, sureties, subrogees, representatives, and insurers of that Defendant named.

JURISDICTION AND VENUE

8. Jurisdiction of this Court arises pursuant to 28 U.S.C. § 1331, 15 U.S.C. § 1682k and 28 U.S.C. § 1367 for supplemental state claims.

9. This action arises out of Defendant's violations of (i) the Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692, et seq; and, (ii) the Rosenthal Fair Debt Collection Practices Act, Cal. Civ. Code §§ 1788, et seq.

10. Because Defendant conducts business within the State of California, personal jurisdiction is established.

11. Venue is proper pursuant to 28 U.S.C. § 1391 for the following reasons: (i) Plaintiffs reside in the City of Oceano, County of San Luis Obispo, State of California which is within this judicial district; (ii) the conduct complained of herein occurred within this judicial district; and, (iii) Defendant conducts business within this judicial district and is incorporated in the City of Grover Beach, County of San Luis Obispo, State of California which is also within this judicial district.

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PARTIES

12. Plaintiffs are natural persons who reside in the County of San Luis Obispo, State of California, from whom a debt collector sought to collect a consumer debt which was due and owing or alleged to be due and owing from Plaintiffs, and are "debtors" as that term is defined by California Civil Code § 1788.2(h). In addition, Plaintiffs are "consumers" as that term is defined by 15 U.S.C. § 1692a(3).
13. Plaintiffs are informed and believe, and thereon allege, that Defendant is a company whose State of Incorporation and principal place of business is California.
14. Plaintiffs are informed and believe, and thereon allege, that Defendant, in the ordinary course of business, regularly, on behalf of themselves or others, engage in debt collection as that term is defined by California Civil Code § 1788.2(b), and is therefore a "debt collector" as that term is defined by California Civil Code § 1788.2(c) and 15 U.S.C. § 1692a(6).
15. This case involves money, property or their equivalent, due or owing or alleged to be due or owing from a natural person by reason of a consumer credit transaction. As such, this action arises out of a "consumer debt" and "consumer credit" as those terms are defined by Cal. Civ. Code § 1788.2(f) and a "debt" as that term is defined by 15 U.S.C. 1692a(5).

FACTUAL ALLEGATIONS

16. At all times relevant, Plaintiffs are individuals residing within the State of California.
17. Plaintiffs are informed and believe, and thereon allege, that at all time relevant, Defendant conducted business in the State of California.

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18. Sometime prior to 2015, Plaintiffs are alleged to have incurred financial obligations to various original creditors for medical services that were money, property, or their equivalent, which is due or owing, or alleged to be due or owing, from a natural person to another person and were therefore "debt(s)" as that term is defined by California Civil Code §1788.2(d), and a "consumer debt" as that term is defined by California Civil Code §1788.2(f) and 15 U.S.C. § 1692a(6).

19. Plaintiffs' alleged medical expenses were allegedly incurred for personal, family and household purposes.

20. Sometime thereafter, Plaintiffs allegedly fell behind in the payments allegedly owed on the alleged debt. Plaintiffs currently take no position as to whether or not this alleged debt was actually owed.

21. Sometime prior to 2015, the original creditors allegedly assigned, placed, or otherwise transferred, to Defendant the right to collect Plaintiffs' alleged debt.

22. As a result of the alleged transfer, Plaintiffs received a written communication from Defendant and/or Defendant's agents regarding the alleged debt. This written communication was a "communication" as 15 U.S.C. § 1692a(2) defines that term, and a "debt collection" as that phrase is defined by Cal. Civ. Code § 1788.2(b).

23. On February 12, 2015, Defendant sent Plaintiffs separate written communications which stated the following:

COLLECTION NOTICE

THIS COMMUNICATION IS FROM A COLLECTION AGENCY.

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

CAN'T FACE REALITY? MANY PEOPLE CAN'T. THIS IS WHY WE ARE IN BUSINESS. THIS BILL WILL NOT GO AWAY OR BE FORGOTTEN! IT MAY BE TROUBLE AT THE WORST POSSIBLE TIME - - WHEN YOU NEED CREDIT DESPERATELY. PAY THIS TODAY AND WE WILL PROMPTLY INFORM THE THREE MAJOR CREDIT BUREAUS THAT YOU HAVE MET YOUR OBLIGATION.

DO NOT DISREGARD. IF YOU HAVE PAID THIS ACCOUNT CONTACT US IMMEDIATELY.

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24. The tone of Defendant's written communication was one of intimidation and was intended to unfairly effect collection of Plaintiffs' alleged debts.

25. Said written communications were also designed to instill the belief that dire consequences would forever follow Plaintiffs without mentioning the applicable statutes of limitations regarding initiating collection actions and/or reporting accounts to the credit bureaus.

26. Through this conduct, Defendant violated 15 U.S.C. § 1692d by engaging in conduct the natural consequence of which is to harass, oppress and abuse Plaintiffs in connection with Plaintiffs' alleged debt. This section is incorporated into the RFDCPA through Cal. Civ. Code § 1788.17; thus, Defendant also violated Cal. Civ. Code § 1788.17.

27. Through this conduct, Defendant violated 15 U.S.C. § 1692e by using false, deceptive and misleading representations in connection with the collection of Plaintiffs' alleged debts. This section is incorporated into the RFDCPA through Cal. Civ. Code § 1788.17; thus, Defendant also violated Cal. Civ. Code § 1788.17.

28. Through this conduct, Defendant violated 15 U.S.C. § 1692e(10) by using false representations and deceptive means to collect Plaintiffs' alleged debts. This section is incorporated into the RFDCPA through Cal. Civ. Code § 1788.17; thus, Defendant also violated Cal. Civ. Code § 1788.17.

29. Through this conduct, Defendant violated 15 U.S.C. § 1692f by using unfair and unconscionable means to collect Plaintiffs' alleged debts. This section is incorporated into the RFDCPA through Cal. Civ. Code § 1788.17; thus, Defendant also violated Cal. Civ. Code § 1788.17.

30. As described herein, Defendant engaged in collection activity that violated various sections of the FDCPA; and, RFDCPA. Specifically, Defendant violated 15 U.S.C. §§ 1692d; 1692e; 1692e(10); and, 1692f. In addition, Defendant also violated Cal. Civ. Code § 1788.17.

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CAUSES OF ACTION CLAIMED BY PLAINTIFFS

COUNT I

VIOLATION OF THE FAIR DEBT COLLECTION PRACTICES ACT

15 U.S.C. §§ 1692-1692(p) (FDCPA)

31. Plaintiffs incorporate by reference all of the above paragraphs of this Complaint as though fully stated herein.
32. The foregoing acts and omissions constitute numerous and multiple violations of the FDCPA.
33. As a result of each and every violation of the FDCPA, Plaintiffs are entitled to any actual damages pursuant to 15 U.S.C. § 1692k(a)(1); statutory damages for a knowing or willful violation in the amount up to $1,000.00 pursuant to 15 U.S.C. § 1692k(a)(2)(A); and reasonable attorney's fees and costs pursuant to 15 U.S.C. § 1692k(a)(3) from Defendant.

COUNT II

VIOLATION OF THE ROSENTHAL FAIR DEBT COLLECTION PRACTICES ACT

Cal. Civ. Code §§ 1788-1788.32 (RFDCPA)

34. Plaintiffs incorporate by reference all of the above paragraphs of this Complaint as though fully stated herein.
35. The foregoing acts and omissions constitute numerous and multiple violations of the RFDCPA.
36. As a result of each and every violation of the RFDCPA, Plaintiffs are entitled to any actual damages pursuant to Cal. Civ. Code § 1788.30(a); statutory damages for a knowing or willful violation in the amount of $1,000.00 pursuant to Cal. Civ. Code § 1788.30(b); and reasonable attorney's fees and costs pursuant to Cal. Civ. Code § 1788.30(c) from Defendant.

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PRAYER FOR RELIEF

WHEREFORE, Plaintiffs prays for judgment as follows:

- An award of actual damages, in an amount to be determined at trial, pursuant to 15 U.S.C. § 1692k(a)(1), against Defendant;
- An award of actual damages, in an amount to be determined at trial, pursuant to Cal. Civ. Code § 1788.30(a), for Plaintiffs;
- An award of statutory damages of $1,000.00, pursuant to 15 U.S.C. § 1692k(a)(2)(A), against Defendant;
- An award of statutory damages of $1,000.00, pursuant to Cal. Civ. Code § 1788.30(b), for Plaintiffs;
- An award of costs of litigation and reasonable attorney's fees, pursuant to 15 U.S.C. § 1692k(a)(3), against Defendant;
- An award of costs of litigation and reasonable attorney's fees, pursuant to Cal. Civ. Code § 1788.30(c);
- For equitable and injunctive relief pursuant to the FDCPA;
- For equitable and injunctive relief pursuant to the RFDCPA; and,
- Any and all other relief that this Court deems just and proper.

Dated: April 10, 2015

Respectfully submitted,

KAZEROUNI LAW GROUP, APC

By: ___/s/ Matthew M. Loker___
MATTHEW M. LOKER, ESQ.
ATTORNEY FOR PLAINTIFFS

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TRIAL BY JURY

37. Pursuant to the seventh amendment to the Constitution of the United States of America, Plaintiffs are entitled to, and demand, a trial by jury.

Dated: April 10, 2015

Respectfully submitted,

KAZEROUNI LAW GROUP, APC

By: ___/s/ Matthew M. Loker___
MATTHEW M. LOKER, ESQ.
ATTORNEY FOR PLAINTIFFS